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SURFACE TRANSPORTATION BOARD Washington, DC 20423

Office of Economics, Environmental Analysis and Administration

July 9, 2007

Mr. Eric M. Hocky Gollatz, Griffin & Ewing Four Penn Center, Suite 200 1600 John F. Kennedy Blvd. Philadelphia, PA 19103-2808

Re: Finance Docket No. 35061, Liberty Rural Rail Transportation District No. 1 -

Construction and Operation – Liberty County, Texas; Approval of Third-Party

Consultant

Dear Mr. Hocky:

Your request for approval under 49 CFR 1105.10(d) and 40 CFR 1506.5 for retention of Carter & Burgess, Inc. (C&B) as an independent third-party consultant for the above referenced project is approved. C&B will prepare the appropriate environmental document on behalf of the Board in connection with a proposed project by Liberty Rural Rail Transportation District No. 1 to construct a rail line of approximately 30 miles in length between Cleveland and Dayton in Liberty County, Texas. The proposed rail line would handle mixed merchandise, relieving rail congestion in the Houston area and spurring economic development in Liberty County.

We have attached a disclosure statement that we ask you to forward to C&B to complete. Once the statement is signed by C&B, we request that C&B send it directly to us. As we discussed in our meeting on June 28, 2006, the Board's Section of Environmental Analysis will directly supervise, review, and approve all environmental documents prepared by the independent third-party contractor.

If we can be of further assistance, please do not hesitate to contact me or Kenneth Blodgett of my staff at (202) 245-0305.

Sincerely

Victoria Rutson

Chief, Section of Environmental Analysis

Enclosure